

APPROACHING YOUR  
**RETIREMENT**  
YEARS



# WHAT IS RETIREMENT?

Retirement is about being able to choose whether to work. You are in a better position to make that decision if you start retirement planning early. Here are some indicators of whether it is time to consider retirement – if you:

Have a fully paid for roof over your head



Have no outstanding debts



Have adequate health insurance cover for medical expenses



Have enough savings or passive income to pay for your retirement lifestyle



Maybe it is time to find out what planning for retirement means. Read on!

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# PRE-RETIREMENT



**W**hen should you start planning for retirement? The answer is simple: as soon as you can.

Ideally, retirement planning should start once you receive your first paycheck. The sooner you begin, the more time you would have to build good habits and grow your savings for retirement. It is also never too late to start. Here are some things you should consider when planning for your retirement.

# 1 BUILD A RETIREMENT PLAN



Define your retirement goals - when do you plan to retire? How much do you estimate you will need to retire with the lifestyle you hope to have? Get started with the CPF Planner. This tool projects your CPF payouts and provide suggestions to make the most of your CPF savings to reach your goals.



Scan me to access the CPF Planner – retirement income



# 2 ASSESS YOUR CURRENT SITUATION

- Review and estimate the savings, CPF and investments you will have when you retire.



Scan me to access the online CPF LIFE estimator.

If you are born in 1958 or after, and have at least \$60,000 in your CPF retirement savings when you reach your payout eligibility age, you will be on CPF LIFE\*. You can check your estimated CPF LIFE payouts by using the CPF LIFE Estimator.

*\***CPF LIFE** is an annuity scheme that provides you with a monthly payout for as long as you live.*

- Are you considering buying a home or still servicing a housing loan?

- If you are considering buying a home, choose a home you can afford and consider leaving more savings for your future retirement needs.
- If you are using or planning to tap on your CPF Ordinary Account (OA) savings for your housing loan, take into account the changes in the CPF allocation rates as you age, as this will affect the OA savings available for your housing loan instalments.



Scan me to learn more on the latest CPF allocation rates.



## RETIRE DEBT-FREE

Aim to fully pay up your housing loan before you retire. Start repaying early whenever you can to save on interest over the long run.

- If you are servicing a housing loan, consider making a Partial Capital Repayment (PCR) to reduce total interest payable on your housing loan. There are no early repayment penalties for making a PCR towards your HDB housing loan.



You can find out more about how to make a PCR here.



**If you have taken a bank mortgage loan, do check with your bank if there are fees involved and the steps to make a PCR.**

Review your insurance policies – will your policies cover your healthcare costs in the event of sudden or chronic illness, accident or disability?

- Take time to understand and review your insurance coverage as your insurance needs and premiums may change as you age. Make sure you find out whether there are out-of-pocket expenses or limitations on the choice of hospital or ward class.
- Consider obtaining Death & Total Permanent Disability protection at 9 times of your annual income and Critical illness protection at 4 times of your annual income. **Spend at most 15%\* of take-home pay on insurance protection.**
- Remember to take into account the coverage under your **MediShield Life**, **ElderShield** and **CareShield Life** (from 2020) -



Scan me to find out more.

**MediShield Life** is a basic health insurance scheme that protects all Singapore Citizens and Permanent Residents against large hospitalisation bills for life, regardless of age or health condition.

**ElderShield** is a basic long-term care insurance scheme that provides monthly cash payouts upon severe disability.

*\*purchase of bundled products (eg. whole life insurance) may exceed 15% of take-home pay as they contain both investment and protection elements.*

**CareShield Life\*** is a national long-term care insurance scheme designed to provide Singapore Citizens and Permanent Residents basic protection against long-term care costs in the event of severe disability, especially in old age.

*\* If you are a Singapore Citizen or Permanent Resident born in 1980 or later, you will be automatically covered on 1 October 2020 or when you turn 30, even if you have any pre-existing medical conditions or have developed severe disability. You can join or upgrade to CareShield Life if you are a Singapore Citizen or Permanent Resident born in 1979 or earlier and do not have severe disability. If you are a Singapore Citizen or Permanent Resident born between 1970 and 1979, you will be automatically enrolled in CareShield Life from 1 December 2021, if you are currently covered under the ElderShield 400 scheme and do not develop severe disability at the point of auto-enrolment.*



### 3 CLOSE THE SAVINGS GAP

Is there a shortfall between what you need for retirement and the savings you will have at retirement? Here are some actions you can consider:

- Increase your retirement savings through **CPF top-ups**. Alternatively, you can transfer the savings from your Ordinary Account to your Special Account (below age 55) or Retirement Account (age 55 and above) up to the Full Retirement Sum or Enhanced Retirement Sum respectively.

Your CPF savings enjoy attractive interest rates of up to 5% per annum (below age 55) and up to 6% per annum (age 55 and above). You can also enjoy tax relief of up to \$8,000 per year for cash top-ups for yourself, up to the current Full Retirement Sum.



Scan me to find out more.

- **Review** your finances to see if you are on track to reaching your retirement goals.

Consider tapping on the Supplementary Retirement Scheme (SRS) to build up your retirement nest egg. The SRS is a voluntary scheme to encourage individuals to save for retirement, over and above their CPF savings. Investment returns are tax-free before withdrawal and only 50% of the withdrawals from SRS are taxable at retirement.



Scan me to find out more.

**Invest** in suitable products – After setting aside part of your salary to accumulate emergency savings of at least 3 to 6 times of your monthly expenses, think about investing on a regular basis to benefit from the power of compounding. Consider investing **at least 10% of take-home pay**.

Consider the Singapore Savings Bonds (SSBs) if you are looking for a safe and flexible way to save for the long term. SSBs are a type of government security and are fully backed by the Singapore Government. You can always get your investment amount back in full with no capital losses.



Scan me to find out more.

**Unlock the value of your HDB flat** to enhance your retirement income.

With a little extra planning, your HDB flat can be a source of stable income to meet your retirement needs.



Scan me to find out more.



**Support** for **low income citizens** and **those with less means**.

Eligible Singaporeans born in 1973 or earlier with lower income and less wealth can receive up to \$1,500 of Retirement Savings Bonus and \$1,500 of Medisave Bonus from the Majulah Package by the end of 2024. Additionally, eligible lower-to middle-income Singaporean workers can receive up to \$1,000 annually under the Earn and Save Bonus of the Majulah Package from 2025.

Existing support measures such as Workfare, Matched Retirement Savings Scheme and Silver Support Scheme will also be enhanced from 2025 to further boost healthcare and retirement adequacy of eligible seniors.



Scan me to find out more.





## 4 PLAN YOUR LEGACY

### MAKE A LASTING POWER OF ATTORNEY (LPA)

- An LPA allows you (“donor”) to appoint at least one person you trust (“donee”) to make decisions and act on your behalf on personal welfare and/or property and financial matters, should you lose mental capacity and be unable to make decisions for yourself.
- It is important to make an LPA early to have the assurance that you will be taken care of, if you lose mental capacity. If you do not have a registered LPA and you lose mental capacity, your family members will not be able to act on your behalf, especially in financial matters. They will have to apply to the family court to be appointed as your deputies, which will take time and cost more.
- Making an LPA is easy and affordable. The application fee waiver of \$75 for Singaporean Citizens making an LPA Form 1 has been extended till 31 March 2026.



Scan me for instructions on how to make an LPA.

### ADVANCE MEDICAL DIRECTIVE (AMD)

- To reduce the stress of family members having to make difficult decisions, inform your doctor in advance if you do not want the use of any life-sustaining treatment to prolong your life in the event that you become terminally ill and unconscious.



Scan to find out more on making an AMD.

### ADVANCE CARE PLANNING (ACP)

ACP is a way to let your family and doctors know how you want to be cared for in the event that you become unable to make decisions for yourself. ACP allows you to make these decisions ahead of time, discuss the values that underlie these decisions, write down your wishes and communicate them with your loved ones. These include:

- Resuscitation and life support
- High-risk surgery
- Permanent tube feeding
- ICU admissions

ACP is for everyone, regardless of age or health condition.  
It can be done in three simple ways:

1



Visit **go.gov.sg/plan-ACP** to use the electronic ACP planning tool as a conversation starter to initiate the conversation with your loved ones.

2



Make an appointment to meet a certified ACP Facilitator at any of the ACP nodes to document your wishes.  
*\*Charges may apply.*

The list of ACP nodes can be found on **go.gov.sg/plan-ACPnodes**.

3



Ask your healthcare provider about ACP.

## MAKE A WILL

- A Will spells out how you wish to distribute your assets (excluding CPF savings). Having one can help your family save money and time, and avoid disputes.
- You can make a Will on your own without seeking the assistance of a lawyer. However, do note that a Will may be challenged or made invalid if it had been drafted improperly or was ambiguous. You may want to speak to a lawyer to make sure your Will is valid. It can be altered at any time.
- If you do not have a Will, your assets will be distributed under Singapore's intestacy laws or the Muslim Law (if you are a Muslim).



Scan to search for a lawyer/law practice.



Scan me to find out more.

## MAKE A CPF NOMINATION

- A CPF nomination allows you to have the flexibility to decide how you want your CPF savings to be distributed and the proportion of savings each nominee will receive. By default, your CPF savings are distributed in cash to your nominee(s).
- You can make a CPF nomination online or in-person at any CPF Service Centre.
- If you do not have a CPF nomination, your CPF savings will be distributed by the Public Trustee Office (PTO) in accordance with Singapore's intestacy laws or the Muslim law (if you are a Muslim). There will be an administrative charge by the PTO. With a CPF nomination, nominees will receive the CPF savings more swiftly and conveniently.



Scan to find out how to make a CPF nomination.



Scan me to find out more.



## WHAT HAPPENS TO THE HDB FLAT IF A FLAT OWNER WERE TO PASS ON?

Your beneficiaries such as your spouse or children living in the flat may retain it, subject to eligibility conditions. If there is no eligible person to retain the flat, it may be sold on the open market if the minimum occupation period has been met.



Scan me to find out more.

# RETIREMENT



**W**hat should you look out for just before retirement? Knowing your options can help you on your retirement journey.



## 1 REVIEW YOUR RETIREMENT PLAN

- As you approach the retirement age, you may be considering either retiring fully or continuing to work. Before making a decision, you need to ensure that you have a retirement plan that will hold up throughout your retirement. Spend some time **assessing your needs and preferences**, as well as your goals.
- Retirement often involves a significant **change in lifestyle**. Consider how you want to transit into retirement. Some people choose to make a gradual shift to retirement by cutting down working hours, instead of retiring completely. This lets you get used to reduced workload and gives you time to develop interests or hobbies. This also allows you to accumulate a larger nest egg before full retirement.

From 1 July 2022, the re-employment age will be raised to 68. This means that employers must offer re-employment to eligible employees from age 62 to 68 to continue employment in their organisation.

Scan me to find out if you are eligible.



- Assess your savings, CPF and withdrawals from investments to determine the amount of retirement income you have to meet your retirement needs and daily living expenses.
- Consider unlocking the value of your flat if you need to enhance your retirement income.

## 2 WITHDRAWING YOUR CPF

- From age 55, savings from your Special and Ordinary Accounts (OSA), up to your applicable Full Retirement Sum (FRS), will be transferred to the Retirement Account (RA) to form the retirement sum. The FRS can be set aside fully in cash, or with a property<sup>1</sup> and cash of at least the Basic Retirement Sum (BRS). You can withdraw up to \$5,000 from your OSA and the RA savings above the FRS or BRS<sup>2</sup>. You can withdraw the savings in full or partially, any time after turning 55, if the withdrawal criteria are met. With PayNow, withdrawals will reach your bank account almost instantaneously.

<sup>1</sup> The property you own must have a remaining lease that can last you to at least age 95.

<sup>2</sup> Excludes top-up monies, interest earned and any government grants received.

Your savings in the CPF accounts can earn interest of up to 5% (below age 55) and up to 6% (age 55 and above). You should consider keeping the savings you can withdraw from your CPF accounts as a “rainy day fund” and tap on them only when needed. From 2025, CPF members aged 55 and above can voluntarily top up more to their RA, up to 4 times the BRS, in order to receive even higher monthly payouts in retirement

You can apply to receive monthly payouts any time from the CPF payout eligibility age (currently at age 65) till 70 years old. By choosing to start your CPF payouts later, you will enable your CPF savings to accumulate interest, and this will boost your future retirement income.

If you do not start your monthly payouts by age 70, CPF Board will do so automatically for you (applicable for members who turn 70 years old after 2017).



If you are reaching 55 or 65 years old, you may make an appointment through CPF Board’s website to attend the CPF Retirement Planning Service (CRPS) to better understand the options available to you.

### 3 MANAGE YOUR SPENDING AND STAY HEALTHY

You may wish to draw up a **monthly budget** and keep track of your expenses so that you live within your means. Take note of items with higher spending, which you might be able to cut down on.



Scan me to find out more.

**my**monesense

You may wish to take note that the occasional spending on 4D, Toto or social gambling quickly adds up and there is always a risk of getting hooked. If you are worried about getting hooked, you may consider applying for self-exclusion to bar yourself from the local casinos and jackpot machine rooms in private clubs.



If you suspect that anyone around you is hooked onto gambling and may need help, you may contact **National Council on Problem Gambling's counselling** at **1800-6-668-668** or **www.ncpg.org.sg**.

**Stay healthy, active and socially engaged.** Keep a focus on maintaining a healthy and active lifestyle with a balance of social activities to keep you occupied. Staying fit and healthy reduces trips to the doctor, and unnecessary medical expenses.



Scan me to find out more.



Scan me to find out more.

The Health Promotion Board's Screen for Life provides subsidised screening for eligible Singaporeans. Understand which health screening you should be going for, based on your age and gender.

You can use your MediSave to pay for selected vaccinations and health screening.



Scan me to find out more.



Scan me to find out more.

If you have spare time, consider volunteering. Volunteering allows you to share your experience, knowledge and skills, and contribute back to society.

## 4 GUARD AGAINST SCAMS

Be careful when buying things online or transferring money to overseas accounts.

Keep your personal information and details of your bank account, credit/debit card and email account safe. Do not share them with anyone else.

Do not transfer money to anyone you do not know. If you receive calls claiming to be from a government agency, remain calm and **verify the identity** of the caller. Contact the agency through their official hotline or email address. Government agencies will never ask for money over the phone. When in doubt, call the National Crime Prevention Council's Anti-Scam Helpline at 1800-722-6688 for advice or visit [scamalert.sg](http://scamalert.sg)





Deepen your knowledge by attending complimentary and unbiased financial education talks/workshops conducted by the Institute for Financial Literacy.

Find out more at [ifl.org.sg](https://www.ifl.org.sg)

## USEFUL NUMBERS

Central Provident Fund Board (CPF)	 1800 227 1188	 <a href="https://www.cpf.gov.sg">cpf.gov.sg</a>
Health Promotion Board (HPB)	 1800 223 1313	 <a href="https://www.hpb.gov.sg">hpb.gov.sg</a>
Housing & Development Board (HDB)	 1800 866 3066	 <a href="https://www.hdb.gov.sg">hdb.gov.sg</a>
Institute for Financial Literacy (IFL)	 6950 7538	 <a href="https://www.ifl.org.sg">ifl.org.sg</a>
Ministry of Health (MOH)	 6325 9220	 <a href="https://www.moh.gov.sg">moh.gov.sg</a>
National Crime Prevention Council (NCPC)	 1800 722 6688	 <a href="https://www.scamalert.sg">scamalert.sg</a>
Public Trustee's Office (PTO)	 1800 225 5529	 <a href="https://www.pto.mlaw.gov.sg">pto.mlaw.gov.sg</a>